

REPORT OF THE COMMITTEE ON BUSINESS AND ECONOMIC DEVELOPMENT

May 19, 2003

The Honorable,
The Board of Commissioners of Cook County

ATTENDANCE

Present: Chairman Collins, Vice Chairman Goslin, Commissioners Hansen, Maldonado and Quigley (5)

Absent: Commissioners Gorman and Murphy (2)

Also Present: Commissioners Butler and Suffredin, Gwendolyn Clemons, Director of Planning and Development; Jacquelyn Harder, Economic Development Project Director; William P. Colson, Attorney; Paul Furlow, Co-President of Tech Lighting; Marty Fields, President, Jet Age Container

Ladies and Gentlemen:

Your Committee on Business and Economic Development of the Board of Commissioners of Cook County met pursuant to notice on Monday, May 19, 2003 at the hour of 10:00 AM in the Board Room, Room 569, County Building, 118 North Clark Street, Chicago, Illinois.

Your Committee has considered the following items and upon adoption of this report, the recommendations are as follows:

Chairman Collins asked Gwendolyn Clemons to provide a brief overview of the Class 6b property tax incentive and how the incentive helps retain businesses in Cook County.

Gwendolyn Clemons, Director of Planning and Development, stated that the Department of Planning, through the Economic Development Division, supports, retains and attracts businesses to Cook County. There are a variety of tools that are used to grow businesses in Cook County that are offered through various mechanisms. Through the business center, the Office of Planning and Development provides direct assistance to companies that have had inquiries, called into the office or that are following up on various requests. Further, Ms. Clemons stated that the Department of Planning and Development facilitates and assists in property tax incentives and operates the "No Cash Bid" program. Ms. Clemons stated that every year the Office of Planning and Development produces "The Marketing Report," which highlights the number of businesses that the Office of Planning and Development has assisted in the last year. In conclusion, Ms. Clemons stated that the Office of Planning and Development provides direct business development assistance to more than 1,600 domestic and foreign companies and provides market and trade-related information to an additional 2,500 businesses.

Commissioner Hansen stated that the problem with Class 6b proposals is that commissioners do not have enough time to review the proposals and take action. He noted that the timeframe

should be lengthened, and suggested that new language be added to the Classification Ordinance.

Gwendolyn Clemons commented that the Office of Planning and Development had been working with the State's Attorney's Office, which has drafted language that will be used in terms of outreach to all municipalities indicating that the Office of Planning and Development must be given thirty days so the County Board can review and act upon the applications. Further, Ms. Clemons stated that her office received the new language last week from the State's Attorney's Office. The Office of Planning and Development is in the process of putting together an information package that will be distributed to everyone involved in the process. Finally, Ms. Clemons noted that the State's Attorney's Office will be working with the Assessor's Office to strengthen the language.

Commissioner Hansen asked if legally, any new language is needed as a pre-condition in order for the Office of Planning and Development to have more time when proposals are before the Board.

Gwendolyn Clemons stated that the State's Attorney's Office informed her office that this could be handled administratively.

Commissioner Hansen commented that this matter needs to be immediately clarified; and the Chairman of the Business and Economic Development Committee and the commissioners should be notified on both counts. He concluded by noting that commissioners should receive something in writing, if an amendment is needed.

Chairman Collins agreed with Commissioner Hansen's comments. The chairman stated that part of the problem is that this is the first time the committee of Business & Economic Development has met to discuss proposals. She noted that in the future, all proposals would be placed on a Board Agenda and then referred to committee for discussion.

Commissioner Hansen stated that he wanted to be certain that the county is acting according to the law and the timeframe is not shortened. He then requested a copy of the State's Attorney's legal opinion.

Gwendolyn Clemons stated that a copy of the legal opinion would be distributed to the commissioners today.

259129 DEPARTMENT OF PLANNING AND DEVELOPMENT, by Gwendolyn D. Clemons, Director, transmitting a Communication, dated April 7, 2003:

Re: Howard SRG, LLC
 Resolution Approving Class 6b Special Exception to Abandonment

respectfully submitting this Resolution regarding the Company's application for Class 6b property tax incentive for your consideration.

Howard SRG, LLC requests approval of the special exception to the 24 month abandonment rule under the Class 6b Ordinance. This Resolution is required so that the company can complete its application to the Assessor of

Cook County within the 90-day period from purchase of the property that will occur later this year.

Submitting the company application for Class 6b, the Resolution of the Village of Skokie, and a Department of Planning and Development staff report for your information.

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PROPOSED RESOLUTION

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WHEREAS, the Cook County Board of Commissioners has adopted a Real Property Assessment Classification 6b which provides an applicant a reduction in the assessment level for an industrial facility; and

WHEREAS, the County Board of Commissioners has received and reviewed an application from Howard SRG, LLC and the Resolution from the Village of Skokie for a vacant industrial facility located at 3601 West Howard Street, Skokie, Cook County, Illinois, Property Index Numbers 10-26-302-007-0000 and 10-26-302-011-0000; and

WHEREAS, Class 6b requires the validation by the County Board of the shortened period of qualifying abandonment in cases where the industrial facility has been abandoned for less than 24 consecutive months upon purchase; and

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WHEREAS, the Cook County Board of Commissioners has determined that the building was abandoned for 2 months at the time of application, and that special circumstances are present.

NOW, THEREFORE, BE IT RESOLVED, by the President and Board of Commissioners of the County of Cook, State of Illinois, that the President and Board of Commissioners indicate their approval for the filing a Cook County Real Estate Classification 6b application by Howard SRG, LLC for an abandoned industrial facility located at 3601 West Howard Street, Skokie, Cook County, Illinois, under the provision for abandonment of less than 24 months; and

BE IT FURTHER RESOLVED, that the County Clerk is hereby authorized and directed to forward a certified copy of this Resolution to the Office of the Cook County Assessor.

***Referred to the Business & Economic Development Committee on 5/6/03**

259130

DEPARTMENT OF PLANNING AND DEVELOPMENT, by Gwendolyn D. Clemons, Director, transmitting a Communication, dated April 10, 2003:

Re: 73rd Street SRG, LLC
Resolution Approving Class 6b Special Exception to Abandonment

respectfully submitting this Resolution regarding the Company's application for Class 6b property tax incentive for your consideration.

73rd Street SRG, LLC requests approval of the special exception to the 24 month abandonment rule under the Class 6b Ordinance. This Resolution is required so that the company can complete its application to the Assessor of Cook County within the 90-day period from purchase of the property which will occur later this year.

Submitting the company application for Class 6b, the Resolution of the Village of Bedford Park, and a Department of Planning and Development staff report for your information.

PROPOSED RESOLUTION

WHEREAS, the Cook County Board of Commissioners has adopted a Real Property Assessment Classification 6b which provides an applicant a reduction in the assessment level for an industrial facility; and

WHEREAS, the County Board of Commissioners has received and reviewed an application from 73rd Street SRG, LLC and the Resolution from the Village of Bedford Park for a vacant industrial facility located at 5555 West 73rd Street, Bedford Park, Cook County, Illinois, Property Index Numbers 19-28-100-053-0000; and

WHEREAS, Class 6b requires the validation by the County Board of the shortened period of qualifying abandonment in cases where the industrial facility has been abandoned for less than 24 consecutive months upon purchase; and

WHEREAS, the Cook County Board of Commissioners has determined that the building was abandoned for 5 months at the time of application, and that special circumstances are present.

NOW, THEREFORE, BE IT RESOLVED, by the President and Board of Commissioners of the County of Cook, State of Illinois, that the President and Board of Commissioners indicate their approval to the filing a Cook County Real Estate Classification 6b application by 73rd Street SRG, LLC for an abandoned industrial facility located at 5555 West 73rd Street, Bedford Park,

Cook County, Illinois, under the provision for abandonment of less than 24 months; and

BE IT FURTHER RESOLVED, that the County Clerk is hereby authorized and directed to forward a certified copy of this Resolution to the Office of the Cook County Assessor.

***Referred to the Business & Economic Development Committee on 5/6/03**

Commissioner Maldonado asked the number of current employees under this Class 6b proposal.

William Colson, representing Jet Age Manufacturing, stated that there are currently forty-five employees, and the Village of Bedford Park is very eager to assist in the expansion of their employee base but help retain the company in the Village. Mr. Colson submitted a letter of support from the Village of Bedford Park.

In response to Commissioner Hansen's question, Gwendolyn Clemons noted that the Office of Planning and Development has already begun surveying the companies to make sure the incentives have helped increase the number of company employees.

Commissioner Hansen commented that it would be a good idea for the Office of Planning and Development to provide a status report on Class 6b tax incentives in terms of the provisions given to the Assessor's Office.

Chairman Collins asked Ms. Clemons if the information is contained in the Annual Report submitted by the Office of Planning and Development.

Gwendolyn Clemons responded that the information is not included in the report, but a report could be submitted within two months.

Commissioner Maldonado asked the length of time the companies listed in the proposals have been in business.

Paul Furlow, Co-President, Tech Lighting, stated that Tech Lighting has been manufacturing low voltage architectural lighting systems since 1988. He said the company currently has 240 employees and if the Class 6b proposal is approved, 160 new jobs will be created. He also stated that the company is growing at approximately at 23-24% per year, and within four to five years, the company should have a total of 400 employees.

Marty Fields, President, Jet Age Container, stated that he purchased the company October 1991 and the company has been in business for thirty years. He said that if the Class 6b proposal is approved, within four to five years, 45 more jobs would be added to the company.

Commissioner Suffredin spoke in favor of the project, and cited the Village of Skokie's support. Commissioner Maldonado remarked that the proposal provides a very generous tax relief to the Jet Age Container Company, which projects an increase of 45 new jobs over a five-year period, and amounts to almost \$100,000 per job. The commissioner suggested the county better scrutinize and analyze future requests in terms of the amount of the incentives compared to the number of jobs created.

Commissioner Maldonado, seconded by Commissioner Quigley, moved Approval of Communication Nos. 259129 and 259130. The motion carried.

Commissioner Hansen moved to adjourn the meeting, seconded by Commissioner Maldonado. The motion carried and the meeting was adjourned.

Respectfully submitted,

